

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **FINANCE**

DATE: **SEPTEMBER 11, 2012**

Committee Members Present:

Supervisors Thomas
 Taylor
 Monroe
 Bentley
 Wood
 Kenny
 Merlino
 Conover

Committee Member Absent:

Supervisor Sokol

Others Present:

Daniel G. Stec, Chairman of the Board
Paul Dusek, County Administrator
Martin Auffredou, County Attorney
Joan Sady, Clerk of the Board
Kevin Geraghty, Budget Officer
Supervisor Dickinson
Supervisor Girard
Supervisor Mason
Supervisor Strainer
Supervisor Westcott
Mike Swan, County Treasurer
Lexi Delurey, Director, Real Property Tax
Services
Jeffery Tennyson, Superintendent of Public
Works
Ross Dubarry, Airport Manager
Brian LaFlure, Director, Office of Emergency
Services
Bud York, Sheriff
Shawn Lamouree, Major
Don Lehman, *The Post Star*
Nicole Livingston, Second Deputy Clerk

Mr. Thomas called the meeting of the Finance Committee to order at 10:00 a.m.

Motion was made by Mr. Bentley, seconded by Mrs. Wood and carried unanimously to approve the minutes of the August 8, 2012 Committee meeting, subject to correction by the Clerk of the Board.

Copies of the Finance Agenda were provided to the Committee members, and a copy of same is on file with the minutes.

Commencing the Action Agenda review, Mr. Thomas stated Item 1 were the requests for Transfer of Funds which were attached for Committee approval. He noted that Supervisory Committee approval had been obtained as necessary.

Motion was made by Mr. Conover and seconded by Mr. Taylor to approve the request as presented.

Mr. Kenny questioned the request included in the Agenda packet for the Real Property Tax Services Department for a transfer in the amount of \$2,184 for Travel/Education/Conference. Lexi Delurey, Director of Real Property Tax Services, explained this was

for training for her certification as Director of the Department. She added there were two separate weeks that encompassed the one course necessary to become certified.

Mr. Kenny also asked for an explanation on the request for transfers from Westmount Health Facility that totaled over \$100,000. Paul Dusek, County Administrator, replied that a number of the transfers related to contracted services, which had been reviewed at the Health Services Committee meeting. Mr. Dusek pointed out that a problem with employees calling in or insufficient staffing had resulted in considerable contracted services. He noted the issue had been identified and was in the process of being resolved. He mentioned the majority of the workforce at the Facility were good, hardworking employees and it was a small group of individuals that were not following the rules and that would be addressed immediately.

Chairman Stec entered the meeting at 10:05 a.m.

Following discussion, Mr. Thomas called the question and the motion was carried unanimously to approve Item 1 as outlined above. The necessary resolution was authorized for the next Board meeting.

Mr. Thomas advised Item 2 was a referral from the County Treasurer requesting to amend the 2012 County budget to increase estimated revenues and appropriations in the amount of \$12,317,265 to amend the Debt Service Fund to account for the advance refunding of the Public Safety Building bonds.

Motion was made by Mr. Conover and seconded by Mr. Monroe to approve the request as presented.

Mike Swan, County Treasurer, explained this request related to the refinancing of the Public Safety Building and because the bond was not callable until 2014, it was necessary to include the amount of money that the County was saving for the next four payments in an escrow account. He further stated this allowed for the accounting procedures and provided the ability to report it in the audit. In response to an inquiry, Mr. Swan apprised the County was saving approximately \$65,000 a year in interest for the life of the bond, which would expire in 2023.

Mr. Thomas called the question and the motion was carried unanimously to approve Item 2 as outlined above. The necessary resolution was authorized for the next Board meeting.

Mr. Thomas stated Item 3 was a referral from the County Facilities Committee, Airport, requesting to amend the 2012 County budget to increase estimated revenues and appropriations in the amount of \$230,500 to allocate grant funding and local share of the paving project for new T-Hangars.

Motion was made by Mr. Bentley, seconded by Mr. Taylor and carried unanimously to approve Item 3 as outlined above. The necessary resolution was authorized for the next Board meeting.

Mr. Thomas noted Item 4 was a referral from the Criminal Justice Committee, District Attorney, requesting a Contingent Fund transfer in the amount of \$2,786.98 to Code A.1165 440 District Attorney-Legal/Transcript Fees, to pay the attorney fees for an appeal which could not be handled by the DA's Office due to a conflict of interest.

Motion was made by Mr. Bentley, seconded by Mr. Kenny and carried unanimously to approve Item 4 as outlined above. The necessary resolution was authorized for the next Board meeting.

Mr. Thomas asserted Item 5 was a referral from the Economic Growth & Development Committee, Planning & Community Development, requesting to close Capital Project Nos. H224.9550 280 Implementation First Corridor; H229.9550 280 Scaroon Manor Improvement; and H271.9550 280 Feeder Canal Community Connections, and to return any remaining funds to the General Fund.

Mr. Thomas asked if there were any remaining funds in the projects listed. Joan Sady, Clerk of the Board, advised there was \$25,718 in No. H229.9550 280 and \$717 in No. H224.9550 280. Mr. Dusek stated that the amounts would be included from now on when a Capital Project was being closed.

Motion was made by Mr. Monroe, seconded by Mr. Bentley and carried unanimously to approve Item 5 as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas advised Items 6A through C were referrals from the Public Safety Committee. Items 6A and B, he said, were referred from the Sheriff & Communications. He stated Item 6A was a request to amend the 2012 County budget to increase estimated revenues and appropriations in the amount of \$4,500 to reflect receipt of funds from Americade for Patrol overtime.

Motion was made by Mr. Monroe, seconded by Mrs. Wood and carried unanimously to approve Item 6A as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas added Item 6B was a request to close Capital Reserve Project No. H99.9550 280 Sheriff Vehicle Purchase and to return any remaining funds to the General Fund.

Mrs. Sady informed there was \$7,566 remaining in Capital Reserve Project No. H99.9550 280.

Motion was made by Mr. Taylor, seconded by Mrs. Wood and carried unanimously to approve Item 6B as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas noted Item 6C was referred from the Office of Emergency Services, requesting a Contingent Fund transfer in the amount of \$12,500 to Code A.3640 441 Civil Defense-Auto-Supplies & Repair, to pay for the painting of the Command Vehicle.

Motion was made by Mr. Conover, seconded by Mrs. Wood and carried unanimously to approve Item 6C as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas stated Item 7 was a referral from the Social Services Committee, Youth Bureau, requesting to amend the 2012 County budget to decrease estimated revenues and appropriations in the amount of \$5,500 to correct an accounting error.

Motion was made by Mr. Conover, seconded by Mr. Monroe and carried unanimously to approve Item 7 as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas apprised Items 8A through C were referrals from the Support Services Committee, County Administrator. Item 8A, he said, was a request to increase Capital Project No. H263.9550 280 Design and Construction Health and Human Services Building, in the amount of \$567,579 to reflect revenue received as follows: premium on the BAN (Bond Anticipation Note) and Public Improvement Bond in the amount of \$372,635; and NYSERDA (New York State Energy Research and Development Authority) incentive awards in the amount of \$194,944.

Motion was made by Mr. Kenny and seconded Mrs. Wood to approve the request as presented.

Mr. Monroe asked for an explanation with regard to the premium on the BAN and Mr. Dusek advised he would need to obtain additional information prior to the end of the meeting. He suggested the Agenda review continue and he would report his findings at the conclusion of the meeting.

Mr. Thomas noted Item 8B was a request to amend the 2012 County budget to increase estimated revenues and appropriations in the amount of \$22,500 to reflect receipt of funds from National Business Equipment to pay copier leases as per the lease agreement.

Motion was made by Mr. Taylor, seconded by Mr. Monroe and carried unanimously to approve Item 8B as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas added Item 8C was a request for authorization for the County Administrator and any interested Supervisors to attend the NYSAC (New York State Association of Counties) Fall Conference.

It was the consensus of the Committee to approve Item 8C as outlined above.

Mr. Thomas remarked Item 9 was a referral from the Public Works Committee, DPW, requesting to amend the 2012 County budget to increase estimated revenues and appropriations in the amount of \$62,174.08 to reflect receipt of property rental revenue to offset various repairs.

Motion was made by Mr. Bentley and seconded by Mr. Merlino to approve the request as presented.

Mr. Conover questioned which rental property this related to and Jeffery Tennyson, Superintendent of Public Works, responded a portion of the revenue was from the Perkins property and the remaining revenue was from the equipment auction and scrap metal returns.

Mr. Thomas called the question and the motion was carried unanimously to approve Item 9 as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas announced Item 10 was for Finance Committee action which was required on the following items as approved by the Personnel Committee: Item Nos. 2 and 4A.

Motion was made by Mr. Kenny, seconded by Mrs. Wood and carried unanimously to approve Item 10 as outlined above.

Mr. Thomas referred to Item IV. Topics to be reported on/discussions/updates and noted Item 1 was the response to the Budget Analysis Report from the County Treasurer as prepared by the County Administrator, which would be emailed when completed.

Mr. Thomas directed the Committee members to the Pending Items and remarked the first item was for the County Attorney to contact the Erie County Attorney's Office to discuss the legal theory of the 911 lawsuit and on what basis they were proceeding, and report back to the Committee with his findings. Status Update: County Attorney expressed the County's interest in participating in the 911 lawsuit and would continue to follow up on the issue. Martin Auffredou, County Attorney, informed that there was no new information to report at this time.

Mr. Thomas added the second item was for the County Administrator to prepare an RFP (Request for Proposal) for Realtor services and to obtain a forester to re-evaluate the

property located across from the Municipal Center. Mr. Auffredou asserted the RFP had been prepared and was ready to be released.

Sheriff York requested permission to address the Committee. He advised his Office had opened a bid and he was requesting approval to award a contract for the department's voice recording system. He stated the cost was approximately \$6,000 less than what was anticipated through State contract and the funds had previously been transferred to cover this purchase. He asked C. Shawn Lamouree, Major, to provide additional details. Major Lamouree explained the recording system recorded all the radio frequencies and the phone lines in and out of the Sheriff's Office. Back in the spring, he continued, the State contract price was around \$54,000; therefore, they proceeded with the bid process and were able to locate the same product with Island Technical Services, Inc. at a cost of \$48,577. He requested approval for the contract with Island Technical Services, LLC for the purchase, one year maintenance and service for the voice recorder system, commencing October 1, 2012 and terminating September 30, 2012 for a total amount not to exceed \$48,577.

Motion was made by Mr. Kenny, seconded by Mr. Monroe and carried unanimously to approve the request for a new contract with Island Technical Services, Inc. as outlined above, and the necessary resolution was authorized for the next Board meeting. A copy of the resolution request form is on file with the minutes.

Mr. Swan requested permission to provide a brief update to the Committee. He advised he would be preparing a BAN for six older DPW projects totaling \$2,069,551, as was authorized by prior resolutions. He noted they had delayed the borrowing until the end of the year to determine if there would be other funds to cover these costs, which there had been; however, he said, additional funding was needed. Mr. Swan pointed out the largest project was the 2011 Storm Damage which totaled \$875,000.

Mr. Taylor asked if the County's bond rating had improved to an acceptable level and Mr. Swan replied the rating had increased significantly following the refinancing of the Public Safety Building. He added it was currently an A+ rating that was subject to review next year.

Mr. Thomas directed the Committee members back to Item 8A and noted Mr. Dusek had additional information relative to the premium on the BAN. Mr. Dusek explained when the County sold the serial bonds for the Public Safety Building they were sold at a particular interest rate. He asserted that in a good market, people were willing to pay a premium to get those bonds; therefore, as a result, the \$372,635 was what the premium was when those bonds were sold.

Mr. Thomas called the question and the motion was carried unanimously to approve Item 8A as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Thomas remarked the County Attorney had two items to discuss with the Committee. Mr. Auffredou referenced Resolution No. 764 of 2011, which authorized the Chairman of the Board to execute a letter of intent relative to the proposed commercial development of property located adjacent to the Airport and he mentioned the letter had yet to be executed between the County and Forest Management Enterprises, Inc. He stated Item 3 in Resolution No. 764 of 2011 provided that the new access road, which was to be constructed over County property, would be constructed to municipal standards and become a municipal roadway; which meant the road would be constructed to the Town of Queensbury's standards and would be dedicated to the Town of Queensbury. Mr. Auffredou acknowledged that it would be an expensive endeavor for Forest Management Enterprises to meet municipal standards and discussions had been held as to whether or not an actual municipal dedicated, Town of Queensbury standard road was required by the County. He apprised that it was not a requirement of Warren County and as a result, Resolution No. 764 of 2011 should be amended to reflect that the new access road did not need to be constructed to a municipal standard as far as the County was concerned.

Mr. Tennyson noted the modification would remove the stipulation that the road be constructed to municipal standards from the County letter of intent as a County requirement; thereby making it a Town road in the future. Mr. Auffredou added that the letter of intent as redrafted would provide that the final location, design and layout of the access road would be subject to approval by the Warren County Superintendent of Public Works.

Motion was made by Mr. Bentley, seconded by Mr. Monroe and carried unanimously to amend Resolution No. 764 of 2011 as outlined above, and the necessary resolution was authorized for the next Board meeting.

Mr. Auffredou requested an executive session to discuss specific attorney/client privileged matters, potential litigation and discussions that could impact the value of property.

Motion was made by Mr. Conover, seconded by Mrs. Wood and carried unanimously that executive session be declared pursuant to Section 105 (d and h) of the Public Officers Law.

Executive session was declared from 10:38 a.m. to 11:29 a.m.

The Committee reconvened and Mr. Thomas announced no action was necessary pursuant to the executive session.

Mr. Dusek stated he had information to provide to the Committee with regard to the RFP for the Realtor and forester services for the County-owned properties located across the street from the Municipal Center Building. He reported only one response

was received in connection with the forester services from Finch Paper, LLC to perform the following: timber cruising and data processing at a cost of \$550; set up and marking of the timber for harvesting at a cost of \$1,100. He added the cost to prepare the bid documents and for the showing of the property would be an additional \$465; and the cost to supervise the timber harvesting over a three week period would be \$990. Mr. Dusek said the total cost for all the work would be \$3,600.

Mr. Thomas questioned if any responses had been received for the Realtor portion of the RFP and Mr. Dusek responded that part had been delayed because additional information was needed. It had been recommended, he continued, to request in the RFP a highest and best use study and to also obtain a marketing cost lump sum, as well as a lump sum for the services to sell the property.

Discussion ensued relative to the desire of the Committee as to how to proceed with the properties. Mr. Strainer cautioned that the market for commercial property was low, although it was improving. He added that the property value could increase significantly in the future. Mr. Dusek mentioned for sale signs were on the properties and had been there for quite some time and he had recently had two interested parties contact him; however, he said, there was not an open bid process right now allowing anyone to make an offer on the properties. He asserted a decision needed to be made to either proceed in the direction to sell the properties or to halt any action until a later time in the future.

Motion was made by Mr. Taylor, seconded by Mr. Monroe and carried by majority vote, with Messrs. Bentley and Thomas voting in opposition, to stop all action with regard to the County-owned properties and to rescind Resolution No. 550 of 2010 which authorized the re-bidding and sale of the properties. The necessary resolution was authorized for the next Board meeting.

Prior to adjourning, Mr. Monroe reported there had been a movement by the Federal government to remove the requirement for the EPA (Environmental Protection Agency) to be involved in wetlands that affected navigable waters and to adopt guidance. He opined that it should be a regulation where the public be allowed input or the representatives in Legislature get to vote on matters. He further stated that such guidance would have a dramatic negative effect on the economy if adopted, and he recommended Warren County oppose this action.

Motion was made by Mr. Bentley, seconded by Mrs. Wood and carried unanimously to oppose the Clean Water Act Draft Guidance proposed by the EPA, and the necessary resolution was authorized for the next Board meeting.

There being no further business to come before the Committee, on motion made by Mr. Bentley and seconded by Mrs. Wood, Mr. Thomas adjourned the meeting at 11:58 a.m.

Respectfully submitted,

Nicole Livingston, Second Deputy Clerk